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For Immediate Release

Corporate Name	PARK24 CO., LTD.
Shares Listed	4666, Prime Market of TSE (Ticker Symbol: PKCOY)
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Notice Regarding Amendment of Shareholders Agreement with Co-Investor in UK Parking Business

PARK24 CO., LTD. (the "Company") hereby announces that it has resolved, at a Board of Directors Meeting held today, to partially amend the shareholders agreement with Development Bank of Japan Inc. ("DBJ"), which is a co-investor in National Car Parks Limited ("NCP"), a company engaged in the parking business in the UK. Past disclosure documents related to NCP and DBJ are listed in the [Reference] at the end of this document.

1. Background to amendment of shareholders agreement

The Company and DBJ jointly acquired 100% of the issued shares of MEIF II CP Holdings 2 Limited, which is the pure equity holding company of NCP, in July 2017 (the "Acquisition"). As a result, the Company acquired 51% of the shares of NCP, which became a consolidated subsidiary of the Company, and DBJ acquired 49% of NCP's shares. The Company and DBJ also concluded a shareholders agreement for the purpose of building a business framework for the development of NCP through mutual cooperation and achieving continuous and stable enhancement of NCP's corporate value through concerted efforts on the part of the Company and DBJ. The shareholders agreement stipulated that the Company shall have the right to call for the balance of the shares to be sold to it (the "Call Option") from August 2020, which is the third anniversary of execution of the Acquisition, and that DBJ shall have the right to require the repurchase of its shares (the "Put Option") from August 2022, which is the fifth anniversary of execution of the Acquisition.

Since becoming a consolidated subsidiary of the Company, NCP has made progress in areas such as the development of a governance framework and business base and has steadily developed a framework for business expansion; however, NCP was forced into a difficult situation when its business was severely impacted by the COVID-19 pandemic (the "Pandemic") that began in 2020. Under such conditions, the Company and DBJ reaffirmed their cooperation as joint investment partners and, in January 2022, concluded an agreement that partially amended the shareholders agreement, stipulating that DBJ may exercise the Put Option from April 2024.

During the Pandemic, with the Company's financial support, NCP sought to rebuild its cost structure through various initiatives including terminating or amending contracts for unprofitable parking facilities. At the same time, NCP pushed ahead with the development of new parking facilities, focusing on rolling out a country-specific versions of Times PARKING model of short-term contract parking sites adapted to the UK business environment based on the features of Times PARKING in Japan, namely "small, dispersed, and dominant". Business has since been on a recovery path, partly thanks to recovery in the external environment; however, the business environment

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has changed dramatically since implementation of the Acquisition, including the recent surge in inflation, prompting this latest decision to make further amendments to the shareholders agreement to reaffirm cooperation in relation to the joint investment.

2. Overview of the shareholders agreement

(1) Put Option period

From November 1, 2025 to February 28, 2026

(2) Call Option period

From August 3, 2020

(3) Assumed repurchase price

In the event of exercise of the Put Option or the Call Option, the Group will repurchase DBJ's entire 49% stake in NCP. The repurchase price will be based on the yen value of DBJ's initial investment amount and will be determined within the range of a maximum repurchase price and a minimum repurchase price, which will be calculated in accordance with given formula, taking NCP Group's EBITDA growth rate into consideration. If the Put Option or the Call Option was exercised in December 2025, with NCP's earnings at their current level, then the repurchase price would be approximately 30,000 million yen.

* The above example is provided solely for the purpose of explaining the mechanism in the event of exercise of the Put Option or the Call Option, and no actual decision has been made regarding the Company's repurchase of the DBJ's 49% stake in NCP as a result of exercise of the Put Option or the Call Option.

* The above repurchase price is the Company's current estimate based on various assumptions. The repurchase price could fluctuate in the future as a result of changes in the underlying assumptions.

3. Future financial policy

The Company considers rebuilding financial soundness to be one of the first priorities of the management and has established the goal of a shareholders' equity ratio of 30% by the end of the fiscal year ending October 2025 as a financial indicator. The Company's basic policy is to improve the shareholders' equity ratio by increasing retained earnings through improvement of the profitability of the Group as a whole.

Since the latest agreement amending the shareholders agreement stipulates that DBJ may exercise the Put Option from the fiscal year ending October 2026, the goal of a shareholders' equity ratio of more than 30% by the end of the fiscal year ending October 2025 is now highly achievable. Accordingly, the prepayment threshold for the subordinated syndicated loan (the "Subordinated Loan") that totals 50 billion yen, for which the date the first prepayment is allowed is December 30, 2025, is also more likely to be reached by an increase in retained earnings. If the Company purchases DBJ's entire 49% stake in NCP and implements prepayment of the Subordinated Loan from the fiscal year ending October 2026 onwards, its policy will be to meet its funding needs with cash on hand and bank borrowing.

The Company also aims to start returning profits to shareholders as soon as possible in line with its existing policy of returning profits to shareholders mainly through dividends from surplus, taking into consideration the amount of retained earnings to be kept as investment funds necessary for sustainable growth.

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[Reference]

- July 14, 2017
"Notice Regarding Execution of Share Purchase Agreement over UK Parking Business through Co-Investment"
<https://www.park24.co.jp/en/news/files/f132b1c90e3d929b65bcbb0096099119.pdf>
- August 4, 2017
"Notice Regarding Completion of Share Purchase Agreement over UK Parking Business (acquiring 100% ownership) through Co-Investment (Progress Report of a Disclosed Matter)"
https://www.park24.co.jp/en/news/e9c7e9bd4c4429ef82448eac1403c338_1.pdf